ONGC refinery in Banner

2365. SHRI S.M. LALJAN BASHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether ONGC wants to set up a well-head oil refinery in Barmer, Rajasthan;

(b) whether it is a fact that the State Government of Rajasthan has refused to accept the demands of ONGC;

(c) the reasons for ONGC demanding difficult and impossible concessions in India while accepting bad conditions abroad;

(d) whether ONGC wants to pave the way for an MNC to partner its refinery in Barmer; and

(e) the steps proposed to enquire into the undercurrents behind such negotiations?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) The proposal for setting up a well-head oil refinery in Barmer, Rajasthan, is under the consideration of Oil and Natural Gas Corporation Limited (ONGC)/ Mangalore Refinery and Petro-Chemicals Limited (MRPL) subject to techno-economic viability of the project being established.

(b) and (c) ONGC/MRPL has reported that the economic viability of the high investment requires fiscal incentives and other benefits from the Government of Rajasthan, ONGC/MRPL have requested the State Government to consider the required fiscal incentives and support for the viability of huge investments in the Well-head Refinery Project. On receipt of a favourable consideration of the incentive package and other support from the Government of Rajasthan, ONGC/MRPL would be able to draw the road map for development of the Refinery.

Considering that Rajasthan crude is heavy and viscous which needs to be heated for transportation, short duration of peak production necessitating import of crude, limited market potential in Rajasthan necessitating export of products and other factors, ONGC has approached the Government of Rajasthan for incentives/concessions to make the refinery project financially viable.

(d) and (e) In consideration of the difficult characteristics of the Rajasthan crude oil, being very heavy and highly waxy in nature (with very high pour point) and the difficulty in transporting it to a distant Refinery location for further processing, it was envisaged that feasibility of setting up a well-head refinery be explored by a Joint Venture of MRPL, ONGC and Cairn Energy India Limited (CEIL).

Discussions held between the Premier of Western Australia and Minister of Petroleum and Natural Gas

2366. DR. M.A.M. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Premier of Western Australia visited India and heid talks with the Minister of State for Petroleum and Natural gas in February, 2007;

(b) if so, the details of the discussions held between the two sides; and

(c) the outcome of the discussions?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (C) Yes, Sir. The Premier of Western Australia visited India and met Minister of Petroleum & Natural Gas in February, 2007 and held discussion on bilateral cooperation between India and Australia in the hydrocarbon sector. The meeting reviewed the ongoing co-operation in this sector between companies in India and Australia. The Minister sought increased participation of Australian companies in NELP rounds and LNG supply contracts.

Sale of adulterated petrol in Bihar

2367. SHRI MOTIUR RAHMAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether petrol pump dealers in Bihar are selling adulterated petrol and diesel freely;

(b) the number of petrol and diesel samples lifted in Bihar during the last two years and how many of them were found adulterated;